• Policy & Procedure

- Take Note
- Milestones

State of California



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Division of Workers' Compensation issues notice of delay in availability of updated prices and clarification of pharmaceutical fee schedule data file

On Nov. 17, 2011, the Division of Workers' Compensation (DWC) distributed a newsline regarding the Web posting of updated price data contained in the pharmaceutical fee schedule data file received from Medi-Cal on Nov. 16, 2011. The information in the newsline was incorrect. DWC has received clarification from the Department of Health Care Services (DHCS) indicating that the data file *does not* include updates to rates after Sept. 28, 2011. Therefore, at this time it is premature for payers to consider the need to make corrected payments as the updated data is not available.

DHCS has indicated that First Data Bank will be providing Medi-Cal updated rates utilizing the Average Wholesale Price (AWP) methodology, including rates for the period after Sept. 28, 2011, but it has not yet done so. DWC will post the updated data files promptly when they are received from Medi-Cal. DWC is seeking further clarification from DHCS regarding the structure of the data file and the anticipated date for prices based on updated AWPs.

In the meantime, the workers' compensation claims administrators should continue to use the posted Nov. 16, 2011 data file and/or calculator until the updated rates are available. DHCS has confirmed that the data file does not include the 10 percent across-the-board payment reduction which is applicable to Medi-Cal services but is not applicable to workers' compensation.

DWC is aware that some national drug codes (NDCs) are listed with a zero price if there was no price history in the file as of Sept. 28, 2011, for example, if the NDC is a new product. DHCS has indicated that once updated pricing resumes, the NDC prices will be updated to cover new products with a Sept. 1, 2011 begin date.

The Nov. 16, 2011 <u>data file and price calculators</u> can be accessed through the DWC's pharmaceutical fee schedule Web page.

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